

VZCZCXYZ0000
PP RUEHWEB

DE RUEHPF #0496 1690320
ZNR UUUUU ZZH
P 170320Z JUN 08
FM AMEMBASSY PHNOM PENH
TO SECSTATE WASHDC PRIORITY 9651

UNCLAS PHNOM PENH 000496

SIPDIS

STATE FOR EAP
STATE PLEASE PASS TO USTR FOR BISBEE

E.O. 12958: N/A

TAGS: [EINV](#) [KIDE](#) [CAJC](#) [PGOV](#) [CB](#)

SUBJECT: 2008 Report on Investment Disputes and Expropriation
Claims for Cambodia

REF: STATE 43784

¶1. SUMMARY: The Cambodian Constitution and laws protect against expropriation, except confiscation in the public interest. When property is seized in the public interest, just compensation is required. Post is not aware of property being taken from U.S. persons by the Cambodian government through June 1, 2008. However, Post is aware of several incidents reported in the media of the government expropriating property from Cambodian nationals without just compensation. End Summary.

No Investment Disputes or Expropriation Claims Reported

¶2. Article 44 of the Cambodian Constitution says "the (state's) right to confiscate properties from any person shall be exercised only in the public interest as provided for under the law and shall require fair and just compensation in advance." The Law on Investment also provides that "the Royal Government of Cambodia shall not undertake a nationalization policy which adversely affects the private property of investors."

¶3. Cambodian laws are not uniformly applied and enforcement is often biased towards individuals with connections to the government. However, Post is not aware of any investment disputes or expropriation claims involving U.S. persons and the Cambodian government through June 1, 2008.

¶4. Post is aware of many cases reported in the media wherein the Cambodian government granted land concessions under opaque circumstances to private companies. This type of concession on property of contested ownership is increasingly common and has resulted in disputes throughout the country, which Post tracks for its human rights and rule-of-law reporting.

JMUSSOMELI